



FORT CAMPBELL CONSUMER AFFAIRS

101st Airborne Division (AASLT) FT. Campbell, KY

CAO 01-02

**DOES YOUR AUTO INSURANCE COMPANY KNOW WHERE
YOUR CAR SLEEPS AT NIGHT???**

05 MAR 2002

**IF NOT, BEWARE... YOU MAY NOT RECEIVE A SINGLE PENNY
FROM YOUR AUTO INSURANCE COMPANY!!!**

CAO and Better Business Bureau (BBB) warn soldiers and consumers that, in many cases, they will not be entitled to insurance coverage if their insurance companies do not have their current address and state in which their cars are garaged. This is a critical issue to Fort Campbell soldiers and consumers because we rest on the Kentucky and Tennessee state line and many times we move between both states. There are several reasons why insurance companies are not notified of current addresses to include a lack of interest, lack of knowledge, being misguided by third parties and the desire to secure a lower premium. Regardless of whether it's intentional or by mistake, if the insurance company does not have the correct state and address where your car is garaged, then in many cases, **they will not have to pay you a single penny. Keep in mind you will still be obligated to pay whatever is outstanding on your car loan and, if totaled, you will no longer have a vehicle!!!**

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EXAMPLE #1: I own a 1996 Protégé LX with a Blue Book value of \$6,650. I still owe \$5,700 on my vehicle. I lived in Kentucky (KY), where it costs \$571 for 6 months of full coverage, but I chose to give a Tennessee (TN) address because it only cost \$395 for 6 months of full coverage. Unfortunately, 3 months later I totaled my car.

Result: This is fraud. I no longer have a vehicle. I receive **nothing** from my insurance company because the **contract is void**. I **still owe \$5,700** on my car loan.

Which is cheaper? Having Insurance!!! If I had given the actual KY address I may have paid a little more in premiums, but I would have had insurance. I would have paid off the car loan and had an extra \$950 (less the deductible) to put down on a replacement car.

EXAMPLE #2 I first purchased my auto policy in TN where I actually resided and later moved to KY but never informed the insurance company of my new address. 3 months after moving to KY, I totaled my car.

Result: I may receive **nothing** from my insurance company and **still owe \$5,700** on my car loan. I no longer have a vehicle.

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BEWARE AND PROTECT YOURSELF BY REVIEWING YOUR INSURANCE CONTRACT AND PROOF OF INSURANCE, AND ALSO BY CONTACTING YOUR INSURANCE COMPANY TO VERIFY THAT YOUR AUTO INSURANCE POLICY IS ISSUED FOR THE CORRECT STATE!!!

If you have any questions or need any assistance in reviewing your auto insurance, please call the Ft. Campbell CAO (270-798-5528) or BBB (931-503-2222).

www.campbell.army.mil/consumeraffairs/ or www.MiddleTennessee.bbb.org